

**MINUTES OF THE
HAZARDOUS WASTE REGULATION AND TAX POLICY TASK FORCE**

Thursday, April 22, 2004 – 9:00 a.m. – Room 403 State Capitol

Members Present:

Sen. Curtis S. Bramble, Senate Chair
Rep. Stephen H. Urquhart, House Chair
Sen. Ron Allen
Sen. Patrice Arent
Sen. Greg S. Bell
Sen. Lyle W. Hillyard
Sen. Scott K. Jenkins
Rep. Eli H. Anderson
Rep. Roger E. Barrus
Rep. James A. Ferrin
Rep. David L. Hogue
Rep. Bradley T. Johnson

Rep. Patricia W. Jones
Rep. Joseph G. Murray
Rep. Merlynn T. Newbold

Members Absent:

Sen. Beverly Ann Evans

Staff Present:

Mr. J Brian Allred, Policy Analyst
Mr. Bryant R. Howe, Policy Analyst
Mr. Robert H. Rees, Associate General Counsel
Ms. Shannon C. Halverson, Associate General Counsel
Ms. Tracey Fredman, Legislative Secretary

Note: A list of others present and a copy of materials can be found at <http://le.utah.gov> or by contacting the Task Force secretary, Tracey Fredman, at 538-1032.

1. Committee Business

Chair Bramble called the meeting to order at 9:15 a.m.

MOTION: Rep. Hogue moved to approve the minutes of the November 18, 2003 meeting. The motion passed unanimously, with Sen. Bell, Sen. Evans, Sen. Hillyard, Rep. Barrus, and Rep. Ferrin absent for the vote.

Chair Bramble distributed a brief history of legislation passed during the 2001, 2002, 2003, and 2004 General Sessions dealing with hazardous and radioactive waste, including the votes of Task Force members. He said that the legislative history on these bills would be discussed at a future meeting.

Mr. James A. Holtkamp, Attorney and Manager, Environmental Compliance Practice Group at Holland & Hart, requested the opportunity to address the Task Force. Chair Bramble granted the request and Mr. Holtkamp was sworn in. He then distributed and read a "Statement of James A. Holtkamp to the Hazardous Waste Regulation and Tax Policy Task Force." Mr. Holtkamp said there is a disparity in the tax burden placed upon commercial hazardous waste facilities, uranium mills, and Envirocare. He urged the Task Force to assure that fees, taxes, and permit requirements are imposed equitably on the various facilities which dispose of hazardous and radioactive waste.

2. Review of H.B. 145 "Approval Required for Disposal of Radioactive Waste" (2004 General Session) and H.B. 13 "Hazardous Waste and Nonhazardous Solid Waste Fee and Tax Amendments" (2004 General Session)

Mr. Allred distributed a summary and briefly reviewed H.B. 145 "Approval Required for Disposal of Radioactive Waste, " 2004 General Session. He explained that the main purpose of the legislation was to

require legislative and gubernatorial approval prior to a facility accepting radioactive waste with a higher radionuclide concentration limit than what is allowed under their existing license.

Mr. Rees summarized H.B. 13 "Hazardous Waste and Nonhazardous Solid Waste Fee and Tax Amendments," 2004 General Session, and explained that it reverses a bill from the 2003 General Session dealing with a fee on hazardous waste and a gross receipts tax on certain hazardous waste facilities.

3. Background on the Production, Storage, and Disposal of Class B and Class C LLRW (Low Level Radioactive Waste) in the United States

Mr. Allred distributed and reviewed "Class B & C Low-Level Radioactive Waste." He explained that class B and class C LLRW are generally more radioactive and more hazardous than class A LLRW, but lower in volume. Mr. Allred discussed the amount of commercial LLRW produced and disposed of during the period between 1998-2003, and reviewed commercial disposal options in the future.

4. Disposal of Class B and Class C Low Level Radioactive Waste in Other States

Mr. Rees distributed "Low-Level Waste Compacts" and indicated that Utah is part of the Northwest Compact. He explained that the compacts were a result of federal legislation passed in 1980, which encouraged states to join together and determine where to dispose of LLRW.

Mr. Howe distributed and reviewed "Comparison of State and Local Taxes and Fees Imposed on Commercial Radioactive Waste Facilities: Utah, Washington, and South Carolina."

5. Environmental Regimen and Costs to Regulate the Disposal of Class B and Class C Low Level Radioactive Waste in Utah

Mr. Bill Sinclair, Deputy Director, (DEQ) Utah Department of Environmental Quality, was sworn in. He distributed and discussed "Environmental Regimen and Costs to Regulate Class B and C Low LLRW."

Mr. Sinclair discussed DEQ licensing requirements and explained that Envirocare cannot begin construction or accept any B or C LLRW until all conditions in the existing license are met, including legislative and gubernatorial approval.

Sen. Hillyard asked if the license would be revoked if the legislature passed a bill denying approval of the acceptance of B or C LLRW and that bill was vetoed by the Governor. Chair Bramble asked staff to look into this issue.

MOTION: Sen. Allen moved that the Task Force recommend to the legislature that it not approve Envirocare's license request to receive B and C LLRW.

SUBSTITUTE MOTION: Rep. Urquhart moved to discuss and take action on this issue at the next Task Force meeting.

There was a discussion by the Task Force on the issues. Chair Bramble requested comment from a representative of Envirocare.

Mr. Tim Barney, Senior Vice-President, Envirocare, was sworn in and gave a brief statement.

Chair Urquhart's substitute motion failed with Sen. Jenkins, Rep. Ferrin, Rep. Hogue, Rep. Murray, Rep. Newbold, and Rep. Urquhart voting in favor.

The Task Force voted on Sen. Allen's original motion. The motion failed with Sen. Allen, Sen. Arent, Sen. Bell, Sen. Hillyard, Chair Bramble, Rep. Anderson, Rep. Barrus, and Rep. Johnson voting in favor.

6. Review of Long Term Business Plans: Envirocare of Utah, Inc.

Due to the lack of time this item was not considered.

7. Task Force Discussion Regarding Study Plans for 2004

Due to the lack of time this item was not considered.

8. Other Items / Adjourn

MOTION: Sen. Jenkins moved to adjourn the meeting. The motion passed unanimously.

Chair Bramble adjourned the meeting at 12:08 p.m.